

EQIP 2007 Prescribed Forestry (Code 409) Practice Payment Example

Background

The Prescribed Forestry Practice (409) is used in EQIP as the basis for preparing a Forest Habitat Plan that prescribes treatment to protect or improve the habitat for non-game wildlife and plant species of greatest conservation need.

Acreage Categories:

Base and Variable Costs for 10 to 99 Acres

Base and Variable Costs for 100 to 499 Acres

Base and Variable Costs for 500 Acres and over

Payment Schedule Use:

For this practice the Payment Schedule is broken into acreage categories to account for economies of scale achieved as the acreage increases. The payment schedule consists of categories of Base Costs, plus per acre Variable Costs for each acre above the appropriate threshold Base Cost. The total cost per contract will be the Base Cost for the acreage category, plus the appropriate per acre Variable Cost for each acre over the category's Base Cost.

Prescribed Forestry (Ac)	409	Base cost for preparing 10-acre to 99-acre non-game forest habitat plan	Ea	\$639.00
Prescribed Forestry (Ac)	409	Variable per acre cost for preparing non-game forest habitat plan on acreages between 11 and 99	Ac	\$4.50
Prescribed Forestry (Ac)	409	Base cost for preparing 100-acre to 499-acre non-game forest habitat plan	Ea	\$1,047.00
Prescribed Forestry (Ac)	409	Variable per acre cost for preparing non-game forest habitat plan on acreages between 101 and 499	Ac	\$2.65
Prescribed Forestry (Ac)	409	Base cost for preparing 500-acre and over non-game forest habitat plan	Ea	\$2,103.00
Prescribed Forestry (Ac)	409	Variable per acre cost for preparing non-game forest habitat plan on acreages over 501	Ac	\$2.00

Payment Calculation Example:

Example: Scarlet Oakley applies for this fund pool on her 350 acre property. She has 210 acres of forest and 35 acres of marginal pasture she wants to convert to forest. Her total acres eligible is 245.

The incentive payment she could earn for the 409 practice is:

$$\begin{array}{rcl}
 \text{Base Cost (for 100 to 499 acre category)} & = & \$1047.00 \\
 \text{Variable Cost for (245 minus 100) or 145 acres x \$2.65/acre} & = & \underline{\$384.25} \\
 \text{Total Incentive Payment} & = & \$1431.25
 \end{array}$$